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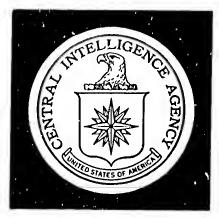


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DIRECTORATE OF INTELLIGENCE

Intelligence Memorandum

South Vietnam: The Growing Manpower Squeeze

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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence June 1969

INTELLIGENCE MEMORANDUM

South Vietnam: The Growing Manpower Squeeze

Summary

The very rapid increase in South Vietnam's military forces during the past several years, together with the prospect of burgeoning military manpower requirements in the near future, poses difficult problems for Saigon. With probably less than one-half million men in the age group available for military service, the regime will be hardpressed to fulfill any sizable expansion of its military forces without drafting men over the present age limit -- 38 -- or lowering the fitness requirements. Either course of action is likely to impair the quality of the military forces and complicate Allied efforts to increase the effectiveness of South Vietnam's military participation in the war. Further aggravating the problem of finding military manpower is the high level of desertions and casualties. Such attrition was equal to almost one-fourth of the total force level in 1968 and is likely to grow as South Vietnam takes over a greater burden of fighting the war.

With more than 1 million men in the regular, territorial, and paramilitary forces, South Vietnam has an estimated 5 to 6 percent of its population under arms -- the highest ratio in the world. Such a military effort has cut deeply into the country's limited supply of skilled manpower at the very time that civilian manpower demands have also risen to

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Economic Research and was coordinated with the Office of National Estimates, the Office of Current Intelligence, and the Director's Special Assistant for Vietnamese Affairs.

meet needs created by a wartime accelerated urbanization. The current level of military mobilization is undoubtedly having a significant effect on the civilian economy. At present there does not appear to be a general labor shortage, but further large increases in the size of the armed forces are certain to shortchange the civilian economy by creating additional inflationary pressures and by drawing away skilled and semiskilled workers.

Introduction

- As the tempo of combat in South Vietnam has increased and Saigon's participation in the conflict has grown, the government of South Vietnam has been compelled to dig deeply into its manpower resources to meet military manpower requirements. The Communist 1968 Tet offensive spurred the Saigon regime into greater efforts to mobilize the population and to increase the country's commitment to its own defense. The General Mobilization Act of 15 June 1968 called for the mobilization of most males between the ages of 16 and 50, with those in the 18-38 age group liable for service in the regular and territorial forces. Males in the 16-17 and 39-50 age groups are eligible only for parttime service in the newly created People's Self-Defense Forces, although those 39 to 43 years of age may be given noncombat assignments in rear service units.
- 2. Since 1967 the number of men serving in South Vietnam's regular and territorial forces has increased nearly one-third, and the total number of men in all South Vietnamese military and paramilitary forces has risen to more than 1 million. As a result, the share of the population under arms has climbed to an estimated 4.8 percent (5.8 percent if the paramilitary forces are included),* the highest in the world. In Taiwan, for example, this ratio is 4.1 percent; in North Vietnam, 2.8 percent; and in the Soviet Union, 1.4 percent.
- 3. In meeting its military manpower requirements, South Vietnam has had to shortchange the burgeoning civilian manpower demands (particularly the demand for skilled labor) generated by an accelerated wartime urbanization. An estimated 30 to 40 percent of the country's population is now located in or near the main population centers. The migration from rural to urban areas, which has been particularly rapid since 1964, stems largely from the intensification of military operations in the countryside and the job opportunities created by the US military buildup. In addition, the expansion of the South Vietnamese military forces has

^{*} If only the South Vietnamese controlled population is included, the estimated shares are 5.8 percent and 6.8 percent, respectively.

been accompanied by an increased flow of military dependents to the cities. This population influx has also increased the manpower demands for industry, commerce, civil service, construction, and public services, at a rate faster than the supply of available human resources.

4. As a result of all of these pressures, the country's manpower pool has been strained and Saigon will be hard-pressed to fulfill any anticipated expansion of its military forces. Moreover, the manpower shortage has been and will continue to be an important contribution to inflationary pressure.

Growth of South Vietnam's Military Forces

- 5. South Vietnam's military and paramilitary forces have nearly doubled since 1963. At the end of March 1969, South Vietnam had more than 1 million men under arms (see Table 1).
- The manpower for the Republic of Vietnam Armed Forces (RVNAF) -- the Regular Forces and the Regional and Popular Forces (RF/PF) -- consists of volunteers and draftees, with the former having accounted for 70 to 80 percent of the total during the past three years. The manpower input for 1966 totaled about 205,000 men, but fell to 164,000 in 1967 (see Table 2). The number soared to nearly 315,000 in 1968 as a result of Saigon's 1968 post-Tet mobilization program. The number of conscripts more than doubled, and voluntary enlistments jumped about 85 percent. The latter increase probably reflects in large part the effort of many to avoid the draft in order to join the territorial forces and remain close to their home areas. The strength of RF/PF forces increased by more than 90,000 during 1968. The paramilitary forces, staffed almost entirely with volunteers, increased by an average of about 30,000 men annually during the last three years.

Attrition of South Vietnam's Military Forces

7. While the South Vietnamese forces have received sizable inputs in recent years, their attrition also has been high. This attrition has consisted almost entirely of desertions and combat

Table 1

Growth of South Vietnam's Military Forces 1963 - March 1969 a/

				Thou	sand Men
	1963	1966	1967	1968	March 1969
Total RVNAF <u>b</u> /	397.4	622.9	643.1	819.2	842.5
Regular Forces Regional Forces Popular Forces	216.0 85.9 95.5	149.9	151.4	426.9 219.8 172.5	
Total paramilitary forces <u>c</u> /	128.4	113.0	155.7	178.9	181.6
Of which:					
National Police Revolutionary	19.7	58.3	73.4	78.4	77.1
Development Cadre Civilian Irregular	0	0	37.0	45.9	47.3
Defense Groups Truong Son Cadre Armed Propaganda	18.0	34.7 0	38.3 6.7	42.3	44.0
Teams Kit Carson Scouts	0 0	0 0	0 0.3	3.8 1.5	4.0 1.9
Total South Vietnam forces	525.8	735.9	798.8	998.1	1,024.1

a. Data are for end of period shown.

casualties (see Table 3).* Losses of 152,000 in 1966 and 122,000 in 1967 equaled about 75 percent of total accretions for each of these years. In 1968,

b. Republic of Vietnam Armed Forces.

c. Armed Combat Youth are included in the total from 1960 through 1966; the organization was disbanded in 1967.

^{*} There is no information available on other types of attrition, such as retirement. However, the magnitude of other attritive factors is not considered significant.

Table 2
South Vietnamese Military
Volunteers and Conscripts
1.966 - March 1969

<u> </u>	Thousand Men						
	Man	Para-					
	Volun- teers	Con- scripts	Total	military Volun- teers			
1966	159.1	46.1	205.2	28.2			
Monthly average	13.3	3.8	17.1	2.4			
1967	115.8	48.5	164.3	33.1			
Monthly average	9.6	4.0	13.7	2.8			
1968	215.3	99.1	314.4	28.8			
Monthly average	17.9	8.3	26.2	2.4			
1969							
January February March	8.3 11.1 20.6	6.8 7.0 5.4	15.1 18.1 26.0	2.7 1.4 1.8			

losses jumped to 203,000, but were only about twothirds of total accretions because of the sharp rise in personnel inputs.*

Desertions

8. The major share of RVNAF losses has been through desertions; during the 1966-68 period, desertions accounted for nearly two-thirds of total attrition. Desertions totaled about 116,000 in

^{*} The net accretion of the input and attrition data does not coincide with the actual annual growth of regular and territorial forces. For the 1965-68 period, the actual force growth was about 35,000 men greater than the data for the net accretion (inputs minus desertions and casualties). Most of the annual differences probably result from lags and errors in South Vietnamese reporting.

Table 3
South Vietnamese Military Losses
1966-68

		Thousand Men		
	1966	1967	1968	
Total losses <u>a</u> /	152.5	122.1	203.4	
Net desertions	116.4 <u>b</u> /	77.7	116.1	
Casualties	36.1	44.4	87.3	
Killed in action Wounded, nonfatal <u>c/</u> Missing/captured	11.9 20.9 3.3	12.7 29.4 2.3	24.3 61.1 1.9	

a. Paramilitary not included.

1966, dropped to 78,000 the next year, and jumped to 116,000 during 1968.* In addition, an average of 8,600 men deserted annually from the paramilitary forces during these years.

9. The average monthly desertion rate of 10.5 per thousand troops in 1967 was substantially less than that recorded in 1968. However, the rate for 1968 increased to 12.7 per thousand troops. Although the rate during the first quarter of 1968 continued to reflect the downward trend of 1967 (averaging 7.7 per thousand troops), it jumped sharply after March, reaching a high of 17.3 in October. Averages of about 15 per thousand recorded during the third and fourth quarters of 1968 were the highest since a South Vietnamese crackdown on desertions in mid-1966. The rate subsequently began to decline, falling to 8.3 in

b. Gross desertions.

c. There is no information concerning the number of wounded who return to action. However, South Vietnam only includes those whose wounds are serious enough to require hospital care. Therefore, the number returning is not believed to be large enough to affect significantly the aggregate analysis.

^{*} Figures for 1966 are gross desertions; for 1967 and 1968 they are net desertions (gross desertions less returnees).

February 1969. In March the rate rose to 10.7, and the quarterly rate remained well above the average for the first quarter of 1968.

10. A particularly significant trend is the comparatively high rate of desertions among the major combat units which are expected to eventually replace US combat forces. Desertions from regular combat units during 1968 were at a rate estimated to equal about one-third of the strengths of these units. Thus the overall desertion rate for the RVNAF is substantially reduced by the lower rate of desertions among RF and PF units. The rate among the regular units in 1969 has continued at a high level. The March rate for the ten infantry divisions of the South Vietnamese Army ranged from 13.5 per thousand to 50.4 per thousand with an overall divisional average of 28.4 per thousand.*

Casualties

11. The other major element in available attrition data is combat casualties. The country's battle casualties have risen sharply as RVNAF participation in the war has increased. These totaled more than 87,000 in 1968, about double the casualties sustained in 1967 and more than 140 percent greater than those in 1966. Combat deaths in these years averaged about 30 percent of total casualties. There are no casualty figures available for the paramilitary forces before 1968. In 1968, paramilitary units suffered nearly 14,000 casualties, of which about 3,600 were combat deaths.

Manpower Pool

12. Any assessment of Saigon's ability to maintain (and expand) its military forces depends for the most part on estimates of the country's available manpower. Estimating the size of the pcol, however, is complicated by a lack of accurate demographic information on South Vietnam. South Vietnam

^{*} All deserters are not necessarily lost to the military forces since many are redrafted. There is no information on the number so reclaimed, but it is not considered to be large. However, the resulting turnover, when added to the normal personnel turnover, is likely to have a serious impact on a unit's performance and efficiency.

is one of the few countries that has never had a national census, and the most recent area census was a pilot study of Phuoc Tuy Province undertaken in 1959. Currently, the most widely used population figure is an estimated 17.2 million in 1968, but other estimates range from as low as 15 million to as high as 19 million. An additional obstacle to estimating the South Vietnamese manpower pool is the impossibility of determining with any great degree of accuracy the share of the population under the effective control of Saigon.

The most recent estimate of South Vietnam's population distribution was undertaken by the US Agency for International Development in 1967. According to this study, there were about 3.5 million males in the country between the ages of 15 and 49. Using these figures as a base, the manpower pool available to South Vietnam is estimated to be about 2.1 million men and those in the 18-38 group at more than 1.3 million. However, more than 1 million men already were under arms at the end of March 1959, leaving a residual of some 350,000 men available for induction into the military forces. Since most of the eligible draftable population already have been conscripted, any sizable number of future conscripts must come from those reaching 18 years of age. It has been estimated that 320,000 South Vietnamese reach the age of 18 each year, more than half of them males. Eliminating those ostensibly under Viet Cong control and those unfit for service, the estimated annual accretion would be about 100,000. Thus the estimated total draftable manpower in the 18-38 age group available at the beginning of 1969 was about 450,000, or -with a range of about 20 percent each way to take account of the considerable possibility of error inherent in any projection based on the very incomplete Vietnam census data -- from 350,000 to 550,000.

Impact on the Labor Force

14. Although the pool of draftable males has become relatively small, there is no indication that the mobilization program has created any general labor shortage. It has, however, cut deeply into the country's limited supply of skilled manpower. The impact has been particularly severe in urban areas, where the bulk of the skilled labor is located. Nearly one-third of

some 6 million South Vietnamese estimated to be in the civilian labor force are engaged in nonagricultural pursuits, primarily in the cities and towns. Since the South Vietnamese have greater control over the urban areas, it seems likely that a disproportionate share of the draftees are coming from these areas.

- 15. Approximately 90 percent of the 220,000 Vietnamese civil servants are considered to be skilled. Perhaps 60 percent of the 154,000 Vietnamese employees of the US sector of the economy can be classified as skilled and semiskilled. Civilian government employment was frozen at the 30 April 1968 level, and drafted personnel have not been replaced. The impact of mobilization has been felt most in such highly technical government operations as the Saigon Metropolitan Water Office and Directorate of Civil Aviation and in such private companies as Esso Standard Eastern, which employs a large number of technically trained, draft-eligible young men.
- 16. The mid-June mobilization bill provided for limited deferments for police, Revolutionary Development Cadre, technical specialists, and teachers, as well as for public health and educational personnel serving in the countryside. September 1968 the government decided to exempt from the draft all primary school teachers serving in hamlets and to allow all secondary and primary school teachers on the government payroll in larger towns to continue teaching after attendance at a nine-week military training course. In the private sector, agreement was reached with the Ministry of National Defense (MOND) in October 1968 on deferment criteria affecting employees in more than 1,000 manufacturing and commercial firms. Approximately 40,000 men in the civil service and private sectors have received deferments.
- 17. Mobilization at the present rate in combination with the lack of a well-defined deferment policy for skilled civilian personnel will further deplete the number of needed administrators, managers, technicians, and skilled craftsmen who are as necessary for effective civilian operations as they are for the armed forces. There are some 20,000 third-country nationals employed in South Vietnam (primarily skilled workers and technicians from South

Korea and the Philippines), but their number is not likely to increase significantly, in view of the political sensitivity which surrounds their employment. Moreover, with few exceptions, these nationals are employable only in the US sector. Some of the tightness in the skilled labor market may be loosened as the US military construction program is phased out. One major US contractor already has indicated that it plans to lay off some 9,000 skilled and unskilled workers.

Outlook

- 18. Unless South Vietnam alters its draft regulations, it is likely to be hard-pressed to meet its future military manpower requirements. Not only will the military begin to encounter shortages of skilled personnel, but difficulty in tapping the existing manpower pool also is likely to emerge. Even if attrition of Saigon's military forces during 1969 does not reach last year's level, it is likely to remain high as RVNAF combat participation continues to increase. Military replacement requirements alone are likely to be between 150,000 and 200,000 men. Combat casualties currently are at an annual rate of more than 80,000 men. Desertions are running at a rate of more than 100,000 annually and are likely to remain high as the number of 18-year-old draftees increases.*
- 19. Even assuming the unlikely event that the entire crop of new 18-year-olds is drafted in 1969, Saigon would still have to find upwards of 50,000 men to fill the remaining estimated gap. Additional numbers would be required if further expansion of force levels is planned or if South Vietnam seeks to replace any US troops withdrawn during the year. Saigon has in fact announced that it plans to increase its regular forces by at least 71,000 men during 1969 in the expectation that some US troops will start to withdraw this year.

^{*} A recent study indicated that the high desertion rate in 1968 was due in large part to the sizable numbers of new men being drafted. It indicated that perhaps 80 percent of the deserters were men with less than six months of military service. These men presumably succumb quickly to the pressures of severed family ties, unfamiliar surroundings, and poor morale.

- 20. Thus, with a remaining manpower pool of draft age probably smaller than half a million, Saigon would have to draft men over 38 and/or lower the fitness requirements to fill its manpower need. Drafting men in the 39-44 group would increase the availability pool by more than 250,000 men. Lowering standards so that only 25 percent are rejected would add an additional 100,000 men. In both cases, however, it is likely that the quality of manpower would be _owered.
- Some manpower in the prime 18-38 age group ostensibly would be available should the South Vietnamese wrest additional areas from the Viet But these incremental additions could not be very large, as less than 550,000 men in the 15-49 age group and less than 350,000 men in the 18-38 age group are estimated to be under Viet Cong control and large numbers of them have already been recruited or conscripted by the enemy. The extension of South Vietnamese control could, however, deny some of these increments to the Viet Cong and cut the manpower pool available for enemy recruitment. In assessing the South Vietnamese overall recruitment capability, however, the problem of population control must be kept in perspective. In a real sense, the Viet Cong probably have easier access to manpower in some areas ostensibly under South Vietnamese control than does Saigon, while the reverse is not the case. Some estimates indicate, for example, that in the "C" category (the lowest level) of South Vietnamese controlled areas, perhaps only half the population is effectively under government control.